

<i>SERFF Tracking Number:</i>	<i>BFLI-127111012</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Bankers Fidelity Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>48402</i>
<i>Company Tracking Number:</i>	<i>AR B 0213 HRR</i>		
<i>TOI:</i>	<i>H14I Individual Health - Hospital Indemnity</i>	<i>Sub-TOI:</i>	<i>H14I.000 Health - Hospital Indemnity</i>
<i>Product Name:</i>	<i>Hospital Recovery Rider</i>		
<i>Project Name/Number:</i>	<i>/</i>		

Filing at a Glance

Company: Bankers Fidelity Life Insurance Company

Product Name: Hospital Recovery Rider SERFF Tr Num: BFLI-127111012 State: Arkansas
 TOI: H14I Individual Health - Hospital Indemnity SERFF Status: Closed-Approved-Closed State Tr Num: 48402

Sub-TOI: H14I.000 Health - Hospital Indemnity Co Tr Num: AR B 0213 HRR State Status: Approved-Closed
 Filing Type: Form Reviewer(s): Rosalind Minor

Disposition Date: 04/05/2011

Authors: Jill Jones, Bridgett
 Williams, Tina Cunningham, Lyn
 Ezell, T. Allen Park, Sharon White,
 Ron Crow, Norma Christopher
 Date Submitted: 04/04/2011

Disposition Status: Approved-Closed

Implementation Date Requested: On Approval
 State Filing Description:

Implementation Date:

General Information

Project Name:	Status of Filing in Domicile: Pending
Project Number:	Date Approved in Domicile:
Requested Filing Mode:	Domicile Status Comments: submitted to Georgia 03-18-2011
Explanation for Combination/Other:	Market Type: Individual
Submission Type: New Submission	Individual Market Type:
Overall Rate Impact:	Filing Status Changed: 04/05/2011
	State Status Changed: 04/05/2011
Deemer Date:	Created By: Tina Cunningham
Submitted By: Tina Cunningham	Corresponding Filing Tracking Number:
Filing Description:	

This optional rider provides benefits for hospital confinement, up to a specified number of days per confinement. This is a new form and will not replace any previously approved form. The rider will be marketed in conjunction with previously approved accident only, specified disease - cancer expense and disability income policies, which are listed on the Forms Use List attached to the Supporting Documentation Tab. This rider will be solicited by personally producing, licensed and contracted agents and brokers. An actuarial memorandum demonstrating cost and benefit structure is included for your review.

SERFF Tracking Number: BFLI-127111012 State: Arkansas
Filing Company: Bankers Fidelity Life Insurance Company State Tracking Number: 48402
Company Tracking Number: AR B 0213 HRR
TOI: H14I Individual Health - Hospital Indemnity Sub-TOI: H14I.000 Health - Hospital Indemnity
Product Name: Hospital Recovery Rider
Project Name/Number: /

Company and Contact

Filing Contact Information

Tina Cunningham, Compliance Analyst L1 tcunningham@atlam.com
4370 Peachtree Road NE 404-266-5723 [Phone]
Atlanta, GA 30319 404-926-4092 [FAX]

Filing Company Information

Bankers Fidelity Life Insurance Company CoCode: 61239 State of Domicile: Georgia
4370 Peachtree Rd NE Group Code: 587 Company Type: Life & Health
Atlanta, GA 30319 Group Name: 61239 State ID Number:
(404) 266-5600 ext. [Phone] FEIN Number: 58-0658963

Filing Fees

Fee Required? Yes
Fee Amount: \$50.00
Retaliatory? Yes
Fee Explanation: 2 forms @ \$25.00 each
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Bankers Fidelity Life Insurance Company	\$50.00	04/04/2011	46218358
Bankers Fidelity Life Insurance Company	\$50.00	04/04/2011	46234895

SERFF Tracking Number:	BFLI-127111012	State:	Arkansas
Filing Company:	Bankers Fidelity Life Insurance Company	State Tracking Number:	48402
Company Tracking Number:	AR B 0213 HRR		
TOI:	H14I Individual Health - Hospital Indemnity	Sub-TOI:	H14I.000 Health - Hospital Indemnity
Product Name:	Hospital Recovery Rider		
Project Name/Number:	/		

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Rosalind Minor	04/05/2011	04/05/2011

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Rosalind Minor	04/04/2011	04/04/2011	Tina Cunningham	04/04/2011	04/04/2011

<i>SERFF Tracking Number:</i>	<i>BFLI-127111012</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Bankers Fidelity Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>48402</i>
<i>Company Tracking Number:</i>	<i>AR B 0213 HRR</i>		
<i>TOI:</i>	<i>H14I Individual Health - Hospital Indemnity</i>	<i>Sub-TOI:</i>	<i>H14I.000 Health - Hospital Indemnity</i>
<i>Product Name:</i>	<i>Hospital Recovery Rider</i>		
<i>Project Name/Number:</i>	<i>/</i>		

Disposition

Disposition Date: 04/05/2011

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: BFLI-127111012 State: Arkansas

Filing Company: Bankers Fidelity Life Insurance Company State Tracking Number: 48402

Company Tracking Number: AR B 0213 HRR

TOI: H14I Individual Health - Hospital Indemnity Sub-TOI: H14I.000 Health - Hospital Indemnity

Product Name: Hospital Recovery Rider

Project Name/Number: /

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification	Approved-Closed	Yes
Supporting Document	Application	Approved-Closed	Yes
Supporting Document	Health - Actuarial Justification	Approved-Closed	No
Supporting Document	Outline of Coverage	Approved-Closed	Yes
Supporting Document	Statement of Variability	Approved-Closed	Yes
Form	Hospital Recovery Rider	Approved-Closed	Yes
Form	Outline of Coverage	Approved-Closed	Yes

SERFF Tracking Number: BFLI-127111012 State: Arkansas
Filing Company: Bankers Fidelity Life Insurance Company State Tracking Number: 48402
Company Tracking Number: AR B 0213 HRR
TOI: H14I Individual Health - Hospital Indemnity Sub-TOI: H14I.000 Health - Hospital Indemnity
Product Name: Hospital Recovery Rider
Project Name/Number: /

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 04/04/2011

Submitted Date 04/04/2011

Respond By Date

Dear Tina Cunningham,

This will acknowledge receipt of the captioned filing.

Objection 1

- Hospital Recovery Rider, B 0213 HRR (Form)
- Outline of Coverage, B 0213 HRR OC (Form)

Comment:

Our filing fees under Rule and Regulation 57 have been updated. Please review the General Instructions for ArkansasLH or Rule and Regulation 57.

The fee for this submission is \$50.00 per form for a total of \$100.00. Please submit an additional \$50.00 for this submission.

We will begin our review of this submission upon receipt of the additional filing fee.

Please feel free to contact me if you have questions.

Sincerely,

Rosalind Minor

SERFF Tracking Number: BFLI-127111012 State: Arkansas
Filing Company: Bankers Fidelity Life Insurance Company State Tracking Number: 48402
Company Tracking Number: AR B 0213 HRR
TOI: H14I Individual Health - Hospital Indemnity Sub-TOI: H14I.000 Health - Hospital Indemnity
Product Name: Hospital Recovery Rider
Project Name/Number: /

Response Letter

Response Letter Status Submitted to State
Response Letter Date 04/04/2011
Submitted Date 04/04/2011

Dear Rosalind Minor,

Comments:

Response 1

Comments: An additional \$50.00 has been submitted.

Related Objection 1

Applies To:

- Hospital Recovery Rider, B 0213 HRR (Form)
- Outline of Coverage, B 0213 HRR OC (Form)

Comment:

Our filing fees under Rule and Regulation 57 have been updated. Please review the General Instructions for ArkansasLH or Rule and Regulation 57.

The fee for this submission is \$50.00 per form for a total of \$100.00. Please submit an additional \$50.00 for this submission.

We will begin our review of this submission upon receipt of the additional filing fee.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,

SERFF Tracking Number: *BFLI-127111012* *State:* *Arkansas*
Filing Company: *Bankers Fidelity Life Insurance Company* *State Tracking Number:* *48402*
Company Tracking Number: *AR B 0213 HRR*
TOI: *H14I Individual Health - Hospital Indemnity* *Sub-TOI:* *H14I.000 Health - Hospital Indemnity*
Product Name: *Hospital Recovery Rider*
Project Name/Number: */*
Bridgett Williams, Jill Jones, Lyn Ezell, Norma Christopher, Ron Crow, Sharon White, T. Allen Park, Tina Cunningham

SERFF Tracking Number: BFLI-127111012 State: Arkansas

Filing Company: Bankers Fidelity Life Insurance Company State Tracking Number: 48402

Company Tracking Number: AR B 0213 HRR

TOI: H14I Individual Health - Hospital Indemnity Sub-TOI: H14I.000 Health - Hospital Indemnity

Product Name: Hospital Recovery Rider

Project Name/Number: /

Form Schedule

Lead Form Number: B 0213 HRR

Schedule Item	Form Number	Form Type Form Name	Action	Action Specific Data	Readability	Attachment
Status						
Approved-Closed 04/05/2011	B 0213 HRR	Policy/Cont Hospital Recovery ract/Fratern Rider al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Initial		47.200	B 0213 HRR.pdf
Approved-Closed 04/05/2011	B 0213 HRR OC	Outline of Coverage Coverage	Initial		53.300	B 0213 HRR OC.pdf

BANKERS FIDELITY LIFE INSURANCE COMPANY

Atlanta, Georgia

HOSPITAL RECOVERY RIDER

This Rider is attached to and made a part of the Policy as of the Effective Date for this Rider shown on Page 3 of the Policy. It is issued in consideration of the answers contained in the application and the timely payment of premiums.

The benefits provided by this Rider are in addition to and exclusive of any of the benefits provided by the Policy to which this Rider is attached. With respect only to the specific benefits provided by this Rider, the terms and conditions of this Rider take precedence over any exclusion or limitation or maximum benefit amount in the Policy to which it is attached that would prevent, limit, change or reduce payment of the benefits herein. Otherwise, except as stated herein, the definitions and provisions of the Policy to which it is attached apply to this Rider. The terms and conditions of this Rider do not affect, change, reduce, limit or eliminate any of the benefits provided by the Policy.

DEFINITIONS

CALENDAR YEAR - the period beginning at 12:00 a.m. Standard Time January 1st at Your residence and ending at 11:59 p.m. Standard Time December 31st.

COMPLICATIONS OF PREGNANCY - normally covered as any other sickness including such involuntary complications as eclamptic toxemia; hyperemesis gravidarum; placenta praevia; ectopic pregnancy; puerperal infection; pre eclampsia; eclampsia; and miscarriage. For a Complication of Pregnancy to be covered, the pregnancy must commence after the Effective Date of the Rider.

The following Complications of Pregnancy are not covered: 1) false labor; 2) occasional spotting; 3) Physician prescribed rest during the pregnancy; or 4) other conditions which are not a distinct Complication of Pregnancy, even though they may be connected with the management of a difficult pregnancy.

CONFINEMENT - admittance to a Hospital on an in-patient basis as a resident bed patient for which a charge for room and board is made. A day of Confinement must be of twenty four (24) hour duration. Observation, emergency or out-patient rooms are not considered Confinement.

COVERED INJURY - bodily injury caused by an accident. The accident causing the injury must occur while this Rider is in force. The injury must be the direct cause of loss. The loss must be independent of any sickness, disease, bodily infirmity or any other causes. An injury includes all injuries as a result of one (1) accident.

COVERED PERSON(S) - the person(s) insured under this Rider. This(These) person(s) is(are) named on Page 3 of the Policy as the Insured and other Covered Persons, if any. All eligible dependent children are counted as one Covered Person for the purposes of this Rider.

COVERED SICKNESS - illness, disease, pregnancy or Complication of Pregnancy which: 1) begins after the Effective Date of this Rider; 2) occurs while this Rider is in force; and 3) is not a Pre Existing Condition as described in this Rider. A sickness is considered to begin when the condition is diagnosed by, or medical advice or treatment is recommended by or received from, a Physician.

DAILY HOSPITAL RECOVERY RIDER BENEFIT - the maximum amount of benefit We will pay for each day of Hospital Confinement as shown in the Benefits Section of this Rider.

EFFECTIVE DATE - is shown on Page 3 of the Policy. It is the date coverage begins. It starts at 12:00 a.m., Standard Time, at the Insured's residence.

DEFINITIONS, continued

HOSPITAL - a place which: 1) is legally operated for the care and treatment of sick and injured persons at their expense; 2) is primarily engaged in providing medical, diagnostic and surgical facilities (either on its premises or in facilities available to the hospital on a formal prearranged basis); 3) has continuous twenty four (24) hour Nursing Services by or under the supervision of registered graduate professional nurses (R.N.); and 4) has staff of a least one (1) Physician available at all times.

“Hospital” does not mean a convalescent, nursing, rest, long term care, mental or skilled nursing facility. It does not mean a place primarily operated for treatment of the aged, mentally ill, drug addicts, alcoholics or tuberculosis patients, nor a special unit of a hospital used by or for any of the above.

INSURED - the person insured under this Rider. This person is named on Page 3 of the Policy as the Insured and other Covered Persons, if any.

LOSS - the specific risk or insurable event for which coverage is provided under this Rider.

MAXIMUM PERIOD OF CONFINEMENT – the total number of continuous days for which we will pay the Daily Hospital Recovery Rider Benefit for any one Covered Person in any one Calendar Year.

MEDICALLY NECESSARY - a treatment, service or supply which is broadly accepted by the medical profession as appropriate and essential in the diagnosis or treatment of a sickness or injury and is based on generally recognized and accepted standards of health care. We have the right to obtain, at Our own expense, the opinion of a Physician of Our choice in case of a dispute regarding medical necessity.

MENTAL OR NERVOUS DISORDER - any mental or emotional disease or disorder without demonstrable organic cause, including but not limited to: neurosis, psychoneurosis, psychopathy, psychosis or any mental or emotional disease or disorder.

PRE-EXISTING CONDITIONS - a medical condition, not admitted on the application for this Rider, for which: 1) medical advice or treatment was recommended by, or received from, a Physician within the one (1) year period before the Effective Date; or 2) symptoms existed within the one (1) year period before the Effective Date which would cause an ordinarily prudent person to seek diagnosis, care or treatment.

BENEFITS

Daily Hospital Recovery Rider Benefit Amount:	\$[100 – 1,000]
Maximum Period of Confinement:	[10] days

We will pay the Daily Hospital Recovery Rider Benefit Amount for each day of a Covered Person’s Medically Necessary Hospital Confinement for a Covered Injury or Covered Sickness, up to the Maximum Period of Confinement for that Covered Person.

PRE-EXISTING CONDITIONS LIMITATION

Pre-existing Conditions are not covered unless the Loss begins more than one (1) year after the Effective Date of coverage.

EXCLUSIONS AND LIMITATIONS

This Rider will not cover any Loss:

1. for A) hernia of any kind; B) hemorrhoids; or C) removal of tonsils and/or adenoids which is sustained in the first six months after the Effective Date of coverage, except treatment on an emergency basis;
2. resulting from dental x rays or services, except when necessary because of an accidental injury to sound, natural teeth while this Policy is in force, and expense is incurred within six (6) months of injury;
3. sustained while participating in combat-related activities, whether or not as an active member of the military or naval service of any country, during an insurrection or war or any act of war or any armed conflict;
4. sustained while committing or attempting to commit a felony, or while being engaged in an illegal occupation or riot;
5. while You are incarcerated, confined or detained by any foreign or domestic governmental authorities;
6. when there are benefits due under Workers' Compensation, Employees' Liability Law, Occupational Disease Law, or similar law;
7. incurred for the cost of care, service or supplies that are covered under any national, state or other government plan, except Medicaid;
8. for services for which no charge is normally made in the absence of insurance, including Veterans' Hospitals;
9. for services rendered or supplies received outside the United States, its possessions, or Canada, except for emergency admission or acute onset of sickness or injury sustained while traveling for business or pleasure;
10. due to mental or nervous disorder unless organically demonstrable;
11. resulting from being under the influence of alcohol or a controlled substance (other than physician prescribed drugs);
12. caused by attempted suicide or any intentionally self inflicted injury, while sane or insane;
13. resulting from cosmetic surgery, including, but not limited to, breast augmentation or reduction or removal of excess tissue or skin after gastric bypass surgery;
14. incurred for treatment for infertility, test tube fertilization, sex transformation, artificial insemination, elective termination of pregnancy or any operation or procedure that alters the body (male or female) for the purpose of temporary or permanent prevention of pregnancy or the reversal of such procedure;
15. incurred for a radial keratotomy, eye refractions, hearing aids, eye glasses, contact lenses, or the fitting thereof unless due to injury;
16. incurred for weight modification or surgical treatment of obesity, including all forms of intestinal bypass surgery (except when Medically Necessary); or
17. incurred while this Rider is not in force.

TERMINATION

Benefits under this Rider will terminate for each Covered Person on their 65th birthday.

This Rider will terminate on the earliest of the following events:

1. the date on which benefits have terminated for all Covered Persons based on their attaining age 65;
2. termination of the Policy to which it is attached;
3. Your failure to pay any premium due for this Rider; or
4. Your written request for termination.

In witness of the above, BANKERS FIDELITY LIFE INSURANCE COMPANY has caused this Rider to be signed by its President.



President

**Retain
This
Outline
for Your
Records**

BANKERS FIDELITY LIFE INSURANCE COMPANY
4370 Peachtree Road, NE, Atlanta, Georgia 30319 404-266-5600 800-241-1439

OUTLINE OF COVERAGE – OPTIONAL RIDER
Hospital Recovery Rider – Form B 0213 HRR

- (1) **READ YOUR POLICY CAREFULLY** - This Outline of Coverage provides a very brief description of the important features of the optional Hospital Recovery Rider. This is not the insurance contract and only the actual policy provisions, along with those in the Rider, will control. The policy itself sets forth in details the rights and obligations of both you and your insurance company. It is, therefore, important that you **READ YOUR POLICY CAREFULLY!**

The benefits provided by the Rider are in addition to and exclusive of any of the benefits provided by the Policy to which the Rider is attached. With respect only to the specific benefits provided by the Rider, the terms and conditions of the Rider take precedence over any exclusion or limitation or maximum benefit amount in the Policy to which it is attached that would prevent, limit, change or reduce payment of the benefits herein. Otherwise, except as stated herein, the definitions and provisions of the Policy to which it is attached apply to the Rider. The terms and conditions of the Rider do not affect, change, reduce, limit or eliminate any of the benefits provided by the Policy.

- (2) **BENEFITS** - We will pay the Daily Hospital Recovery Rider Benefit Amount for each day of a Covered Person's Medically Necessary Hospital Confinement for a Covered Injury or Covered Sickness, up to the Maximum Period of Confinement for that Covered Person. All eligible dependent children are counted as one Covered Person for the purposes of this Rider.

Amount Applied For: \$_____ **per day; \$100 units – minimum \$100, maximum \$1,000**

- (3) **PRE-EXISTING CONDITION LIMITATION** - Pre-existing Conditions are not covered unless the loss begins more than one (1) year after the Effective Date of coverage.
- (4) **EXCLUSIONS** - The Rider will not cover any Loss: (a) for 1) hernia of any kind; 2) hemorrhoids; or 3) removal of tonsils and/or adenoids which is sustained in the first six months after the Effective Date of coverage, except treatment on an emergency basis; (b) resulting from dental x rays or services, except when necessary because of an accidental injury to sound, natural teeth while the Policy is in force, and expense is incurred within six (6) months of injury; (c) sustained while participating in combat-related activities, whether or not as an active member of the military or naval service of any country, during an insurrection or war or any act of war or any armed conflict; (d) sustained while committing or attempting to commit a felony, or while being engaged in an illegal occupation or riot; (e) while You are incarcerated, confined or detained by any foreign or domestic governmental authorities; (f) when there are benefits due under Workers' Compensation, Employees' Liability Law, Occupational Disease Law, or similar law; (g) incurred for the cost of care, service or supplies that are covered under any national, state or other government plan, except Medicaid; (h) for services for which no charge is normally made in the absence of insurance, including Veterans' Hospitals; (i) for services rendered or supplies received outside the United States, its possessions, or Canada, except for emergency admission or acute onset of sickness or injury sustained while traveling for business or pleasure; (j) due to mental or nervous disorder unless organically demonstrable; (k) resulting from being under the influence of alcohol or a controlled substance (other than physician prescribed drugs); (l) caused by attempted suicide or any intentionally self inflicted injury, while sane or insane; (m) resulting from cosmetic surgery, including, but not limited to, breast augmentation or reduction or removal of excess tissue or skin after gastric bypass surgery; (n) incurred for treatment for infertility, test tube fertilization, sex transformation, artificial insemination, elective termination of pregnancy or any operation or procedure that alters the body (male or female) for the purpose of temporary or permanent prevention of pregnancy or the reversal of such procedure; (o) incurred for a radial keratotomy, eye refractions, hearing aids, eye glasses, contact lenses, or the fitting thereof unless due to injury; (p) incurred for weight modification or surgical treatment of obesity, including all forms of intestinal bypass surgery (except when Medically Necessary); or (q) incurred while the Rider is not in force.

OUTLINE OF COVERAGE – OPTIONAL HOSPITAL RECOVERY RIDER, continued

(5) PREMIUMS - Premiums are subject to change in accordance with the terms of the Policy to which the Rider is attached.

Premium Amount: \$_____ **Mode:** _____

(6) TERMINATION - Benefits under the Rider will terminate for each Covered Person on their 65th birthday. The Rider will terminate on the earliest of the following events: (a) the date on which benefits have terminated for all Covered Persons based on their attaining age 65; (b) termination of the Policy to which it is attached; (c) Your failure to pay any premium due for the Rider; or (d) Your written request for termination.

SERFF Tracking Number:	BFLI-127111012	State:	Arkansas
Filing Company:	Bankers Fidelity Life Insurance Company	State Tracking Number:	48402
Company Tracking Number:	AR B 0213 HRR		
TOI:	H141 Individual Health - Hospital Indemnity	Sub-TOI:	H141.000 Health - Hospital Indemnity
Product Name:	Hospital Recovery Rider		
Project Name/Number:	/		

Supporting Document Schedules

	Item Status:	Status Date:
Satisfied - Item: Flesch Certification Comments: Attachments: B 0213 HRR Flesch Cert.pdf Guaranty Association Notice B 0076 AR.pdf Consumer Notice B 0034 AR.pdf	Approved-Closed	04/05/2011
Satisfied - Item: Application Comments: Attachment: AR B 0213 HRR Forms Use List.pdf	Approved-Closed	04/05/2011
Satisfied - Item: Outline of Coverage Comments: Attachment: B 0213 HRR OC.pdf	Approved-Closed	04/05/2011
Satisfied - Item: Statement of Variability Comments: Attachment: B 0213 HRR Statement of Variability.pdf	Approved-Closed	04/05/2011

BANKERS FIDELITY LIFE INSURANCE COMPANY

4370 Peachtree Road, N.E., Atlanta, Georgia 30319
(404) 266-5683

FLESCH SCORE CERTIFICATION

B 0213HRR – Hospital Recovery Rider

Words: 1,369
Sentences: 44

Score: 47.2

B 0213 HRR OC – Outline of Coverage

Words: 617
Sentences: 9

Score: 53.3

I hereby certify that the Flesch reading ease score of the above forms is as shown.



Jill M. Jones; FLMI, AIRC, FLHC, ACS, AIAA, ARA
Director; Legal/Compliance



Date

LIMITATIONS AND EXCLUSIONS UNDER THE ARKANSAS LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION ACT

Residents of this state who purchase life insurance, annuities or health and accident insurance should know that the insurance companies licensed in this state to write these types of insurance are member of the Arkansas Life and Health Insurance Guaranty Association (“Guaranty Association”). The purpose of the Guaranty Association is to assure that policy and contract owners will be protected, within certain limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of policy owners who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by the member insurers through the Guaranty Association is not unlimited, however. And, as noted in the box below, this protection is not a substitute for consumers’ care in selecting the insurance companies that are well managed and financially stable.

DISCLAIMER

The Arkansas Life and Health Insurance Guaranty Association (“Guaranty Association”) may not provide coverage for this policy. If coverage is provided, it may be subject to substantial limitations or exclusions and require continued residency in this state. You should not rely on coverage by the Guaranty Association in purchasing an insurance policy or contract.

Coverage is NOT provided for your policy or contract or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract.

Insurance companies or their agents are required by law to provide you with this notice.

The Arkansas Life and Health Insurance Guaranty Association
C/o The Liquidation Division
1023 West Capitol, Suite 2
Little Rock, Arkansas 72202

Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201-1904

The state law that provides for this safety-net is called the Arkansas Life and Health Insurance Guaranty Association Act (“Act”). Below is a brief summary of the Act’s coverages, exclusions and limits. This summary does not cover all provisions of the Act; nor does it in any way change anyone’s rights or obligations under the Act or the rights or obligations of the Guaranty Association.

COVERAGE

Generally, individuals will be protected by the Guaranty Association if they live in this state and hold a life, annuity or health insurance contract or policy, or if they are insured under a group insurance contract issued by a member insurer. The beneficiaries, payees or assignees of policy or contract owners are protected as well, even if they live in another state.

EXCLUSIONS FROM COVERAGE

However, persons owning such policies are NOT protected by the Guaranty Association if:

- They are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state);
- The insurer was not authorized to do business in this state;
- Their policy or contract was issued by a nonprofit hospital or medical service organization, an HMO, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company or similar plan in which the policy or contract owner is subject to future assessments, or by an insurance exchange.

The Guaranty Association also does NOT provide coverage for:

- Any policy or contract or portion thereof which is not guaranteed by the insurer or for which the owner has assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract;
- Any policy of reinsurance (unless an assumption certificate was issued);
- Interest rate yields that exceed an average rate;
- Dividends and voting rights and experience rating credits;
- Credits given in connection with the administration of a policy by a group contract holder;
- Employers' plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them);
- Unallocated annuity contracts (which give rights to group contract holders, not individuals);
- Unallocated annuity contracts issued to/in connection with benefit plans protected under Federal Pension Benefit Corporation ("FPBC") (whether the FPBC is yet liable or not);
- Portions of a policy or contract to the extent assessments required by law for the Guaranty Association are preempted by State or Federal law;
- Obligations that do not arise under the policy or contract, including claims based on marketing materials or side letters, riders, or other documents which do not meet filing requirements, or claims for policy misrepresentations, or extra-contractual or penalty claims;
- Contractual agreements establishing the member insurer's obligations to provide book value accounting guarantees for defined contribution benefit plan participants (by reference to a portfolio of assets owned by a nonaffiliated benefit plan or its trustees).

LIMITS ON AMOUNT OF COVERAGE

The Act also limits the amount the Guaranty Association is obligated to cover: The Guaranty Association cannot pay more than what the insurance company would owe under a policy or contract. Also, for any one insured life, the Guaranty Association will pay a maximum of \$300,000 – no matter how many policies and contracts there were with the same company, even if they provided different type of coverages. Within this overall \$300,000 limit, the Association will not pay more than \$300,000 in health insurance benefits, \$300,000 in present value of annuity benefits, or \$300,000 in life insurance death benefits or net cash surrender values – again, no matter how many policies and contracts there were with the same company, and no matter how many different types of coverages. There is a \$1,000,000 limit with respect to any contract holder for unallocated annuity benefits, irrespective of the number of contracts held by the contract holder. These are limitations for which the Guaranty Association is obligated before taking into account either its subrogation and assignment rights or the extent to which those benefits could be provided out of the assets of the impaired or insolvent insurer.

BANKERS FIDELITY LIFE INSURANCE COMPANY

Atlanta, Georgia

The following information is being provided to you in accordance with Act 197 of the Arkansas Department of Insurance Regulations:

Bankers Fidelity Life Insurance Company

Policyholder Service Department

4370 Peachtree Road, N.E.

Atlanta, Georgia 30319

Toll-Free: 866-458-7500

Fax: (404) 926-4033

bflphs@atlam.com

If we at Bankers Fidelity Life Insurance Company fail to provide you with reasonable and adequate service, you should feel free to contact:

Arkansas Department of Insurance

Consumer Service Division

1200 West Third Street

Little Rock, Arkansas 72201-1904

(510) 371-2640, (800) 852-5494

Fax: (501) 371-2749

insurance.consumers@arkansas.gov

Your Agent:

{Fld0240}

{Fld0241} {Fld0242}

{Fld0243} {Fld0244}

{Fld0245}

This notice is for information only and does not become a part or condition of your policy.

Hospital Recovery Rider: B 0213 HRR

FORMS USE LIST

Arkansas

The Hospital Recovery Rider may be issued with the following policies:

<u>Form Number</u>	<u>Description / Title</u>	<u>Approved by State</u>
B 20626 AR	Accident Expense Policy	09-09-2009
B 20626-1 AR	Accident Expense Policy	09-09-2009
B 8790-1	Accident Expense Policy	02-06-1991
B 8790-2	Accident Expense Policy	02-06-1991
B 9401	Cancer Expense Policy	10-04-1995
BFL 8710 (10-87)	Cancer Expense Policy	06-30-1988
B 8721	Disability Income Policy	05-31-2006
B 8722	Disability Income Policy	10-25-2006
B 20702	Disability Income Policy	10-15-2007

This Rider will be solicited on application form B 0093 AP2011, which is being submitted to the Department for prior review and approval under a separate SERFF filing.

**Retain
This
Outline
for Your
Records**

BANKERS FIDELITY LIFE INSURANCE COMPANY
4370 Peachtree Road, NE, Atlanta, Georgia 30319 404-266-5600 800-241-1439

OUTLINE OF COVERAGE – OPTIONAL RIDER
Hospital Recovery Rider – Form B 0213 HRR

- (1) **READ YOUR POLICY CAREFULLY** - This Outline of Coverage provides a very brief description of the important features of the optional Hospital Recovery Rider. This is not the insurance contract and only the actual policy provisions, along with those in the Rider, will control. The policy itself sets forth in details the rights and obligations of both you and your insurance company. It is, therefore, important that you **READ YOUR POLICY CAREFULLY!**

The benefits provided by the Rider are in addition to and exclusive of any of the benefits provided by the Policy to which the Rider is attached. With respect only to the specific benefits provided by the Rider, the terms and conditions of the Rider take precedence over any exclusion or limitation or maximum benefit amount in the Policy to which it is attached that would prevent, limit, change or reduce payment of the benefits herein. Otherwise, except as stated herein, the definitions and provisions of the Policy to which it is attached apply to the Rider. The terms and conditions of the Rider do not affect, change, reduce, limit or eliminate any of the benefits provided by the Policy.

- (2) **BENEFITS** - We will pay the Daily Hospital Recovery Rider Benefit Amount for each day of a Covered Person's Medically Necessary Hospital Confinement for a Covered Injury or Covered Sickness, up to the Maximum Period of Confinement for that Covered Person. All eligible dependent children are counted as one Covered Person for the purposes of this Rider.

Amount Applied For: \$_____ **per day; \$100 units – minimum \$100, maximum \$1,000**

- (3) **PRE-EXISTING CONDITION LIMITATION** - Pre-existing Conditions are not covered unless the loss begins more than one (1) year after the Effective Date of coverage.
- (4) **EXCLUSIONS** - The Rider will not cover any Loss: (a) for 1) hernia of any kind; 2) hemorrhoids; or 3) removal of tonsils and/or adenoids which is sustained in the first six months after the Effective Date of coverage, except treatment on an emergency basis; (b) resulting from dental x rays or services, except when necessary because of an accidental injury to sound, natural teeth while the Policy is in force, and expense is incurred within six (6) months of injury; (c) sustained while participating in combat-related activities, whether or not as an active member of the military or naval service of any country, during an insurrection or war or any act of war or any armed conflict; (d) sustained while committing or attempting to commit a felony, or while being engaged in an illegal occupation or riot; (e) while You are incarcerated, confined or detained by any foreign or domestic governmental authorities; (f) when there are benefits due under Workers' Compensation, Employees' Liability Law, Occupational Disease Law, or similar law; (g) incurred for the cost of care, service or supplies that are covered under any national, state or other government plan, except Medicaid; (h) for services for which no charge is normally made in the absence of insurance, including Veterans' Hospitals; (i) for services rendered or supplies received outside the United States, its possessions, or Canada, except for emergency admission or acute onset of sickness or injury sustained while traveling for business or pleasure; (j) due to mental or nervous disorder unless organically demonstrable; (k) resulting from being under the influence of alcohol or a controlled substance (other than physician prescribed drugs); (l) caused by attempted suicide or any intentionally self inflicted injury, while sane or insane; (m) resulting from cosmetic surgery, including, but not limited to, breast augmentation or reduction or removal of excess tissue or skin after gastric bypass surgery; (n) incurred for treatment for infertility, test tube fertilization, sex transformation, artificial insemination, elective termination of pregnancy or any operation or procedure that alters the body (male or female) for the purpose of temporary or permanent prevention of pregnancy or the reversal of such procedure; (o) incurred for a radial keratotomy, eye refractions, hearing aids, eye glasses, contact lenses, or the fitting thereof unless due to injury; (p) incurred for weight modification or surgical treatment of obesity, including all forms of intestinal bypass surgery (except when Medically Necessary); or (q) incurred while the Rider is not in force.

OUTLINE OF COVERAGE – OPTIONAL HOSPITAL RECOVERY RIDER, continued

(5) PREMIUMS - Premiums are subject to change in accordance with the terms of the Policy to which the Rider is attached.

Premium Amount: \$_____ **Mode:** _____

(6) TERMINATION - Benefits under the Rider will terminate for each Covered Person on their 65th birthday. The Rider will terminate on the earliest of the following events: (a) the date on which benefits have terminated for all Covered Persons based on their attaining age 65; (b) termination of the Policy to which it is attached; (c) Your failure to pay any premium due for the Rider; or (d) Your written request for termination.

Hospital Recovery Rider – B 0213 HRR

STATEMENT OF VARIABILITY

<u>Item</u>	<u>Page #</u>	<u>Description of Variability</u>
Daily Hospital Recovery Rider Benefit Amount	2	Benefit Amount issued to Insured
Maximum Period of Confinement	2	Number of Days issued to Insured